

ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2002

	Month Ended 8/31/2002				Month Ended 7/31/2002				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Allocation				Allocation							
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
<i>AllianceBernstein</i>	22,667,663	2.1%	2.3%	2.32%	22,166,048	2.1%	2.3%	-7.03%	-4.88%	-28.98%	-16.11%	N/A
<i>Russell 1000 Growth</i>				0.30%				-5.50%	-5.22%	-26.49%	-16.15%	N/A
<i>Structured Value</i>												
<i>LSV</i>	52,640,573	4.9%	4.5%	0.20%	52,552,206	4.9%	4.5%	-7.94%	-7.76%	2.72%	5.54%	N/A
<i>Russell 1000 Value</i>				0.75%				-9.30%	-8.62%	-8.96%	-4.87%	N/A
<i>Enhanced Russell 1000 Index</i>												
<i>LA Capital (Wilshire)</i>	49,145,439	4.5%	4.5%	0.66%	48,848,727	4.5%	4.5%	-7.52%	-6.91%	-17.00%	N/A	N/A
<i>Russell 1000</i>				0.75%				-9.30%	-8.62%	-17.89%	N/A	N/A
<i>Enhanced S&P 500 Index</i>												
<i>Northern Trust</i>	47,773,982	4.4%	4.5%	0.71%	47,453,179	4.4%	4.5%	-7.48%	-6.83%	-16.98%	N/A	N/A
<i>Strong</i>	48,229,944	4.5%	4.5%	0.17%	47,925,087	4.4%	4.5%	-7.95%	-7.79%	-20.23%	N/A	N/A
<i>Westridge</i>	58,328,296	5.4%	4.5%	0.67%	58,034,192	5.4%	4.5%	-7.69%	-7.07%	-17.54%	N/A	N/A
Total Enhanced S&P 500 Index	154,332,222	14.3%	13.5%	0.53%	153,412,459	14.2%	13.5%	-7.71%	-7.22%	-18.23%	N/A	N/A
<i>S&P 500</i>				0.66%				-7.80%	-7.19%	-17.98%	N/A	N/A
<i>S&P 500 Index</i>												
<i>State Street</i>	54,103,835	5.0%	5.3%	0.66%	53,748,989	5.0%	5.3%	-7.78%	-7.17%	-17.96%	-9.14%	3.67%
<i>S&P 500</i>				0.66%				-7.80%	-7.19%	-17.98%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	332,889,733	30.8%	30.0%	0.64%	330,728,429	30.6%	30.0%	-7.67%	-7.08%	-17.13%	-9.48%	2.68%
<i>S&P 500</i>				0.66%				-7.80%	-7.19%	-17.98%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
<i>SEI</i>	103,611,857	9.6%	10.0%	0.75%	103,156,053	9.6%	10.0%	-13.68%	-13.03%	-11.87%	N/A	N/A
<i>Russell 2000 + 200bp</i>				-0.09%				-14.93%	-15.01%	-6.68%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	103,611,857	9.6%	10.0%	0.75%	103,156,053	9.6%	10.0%	-13.68%	-13.03%	-11.87%	1.18%	1.95%
<i>Russell 2000</i>				-0.26%				-15.10%	-15.32%	-8.59%	1.67%	4.44%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
<i>State Street</i>	38,355,209	3.5%	4.0%	-0.59%	38,573,914	3.6%	4.0%	-9.69%	-10.23%	-11.74%	-6.76%	-2.26%
<i>MSCI EAFE - 50% Hedged</i>				-0.24%				-10.04%	-10.26%	-14.62%	-5.75%	0.27%
<i>Large Cap - Active</i>												
<i>Capital Guardian</i>	99,810,895	9.2%	10.0%	-1.70%	101,607,396	9.4%	10.0%	-10.69%	-12.20%	-13.17%	-1.00%	5.76%
<i>Bank of Ireland</i>	21,942,831	2.0%	2.0%	-0.74%	22,143,186	2.1%	2.0%	-10.05%	-10.72%	N/A	N/A	N/A
Total Large Cap - Active	121,753,725	11.3%	12.0%	-1.53%	123,750,581	11.5%	12.0%	-10.57%	-11.94%	-12.19%	-0.63%	6.00%
<i>MSCI EAFE - 50% Hedged</i>				-0.24%				-10.04%	-10.26%	-14.62%	-5.75%	0.27%
<i>Small Cap - Active</i>												
<i>Lazard</i>	23,587,471	2.2%	2.0%	-1.56%	23,966,653	2.2%	2.0%	-8.36%	-9.79%	N/A	N/A	N/A
<i>Wellington</i>	23,087,224	2.1%	2.0%	-2.38%	23,679,636	2.2%	2.0%	-5.78%	-8.02%	N/A	N/A	N/A
Total Small Cap - Active	46,674,694	4.3%	4.0%	-1.97%	47,646,289	4.4%	4.0%	-7.10%	-8.92%	N/A	N/A	N/A
<i>SSB BROAD MARKET INDEX < \$2BN</i>				-0.90%				-6.90%	-7.74%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	206,783,629	19.1%	20.0%	-1.45%	209,970,784	19.4%	20.0%	-9.64%	-10.96%	-10.49%	-2.94%	2.40%
<i>MSCI EAFE - 50% Hedged</i>				-0.24%				-10.04%	-10.26%	-14.62%	-5.75%	0.27%
EMERGING MARKETS EQUITY												
<i>Capital Guardian</i>	53,704,300	5.0%	5.0%	2.11%	52,592,463	4.9%	5.0%	-9.20%	-7.28%	-5.69%	-5.69%	-6.04%
<i>MSCI Emerging Markets Free</i>				1.54%				-7.61%	-6.19%	1.30%	-6.34%	-8.42%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
<i>Western Asset</i>	11,324,772	1.0%	1.1%	2.65%	12,823,735	1.2%	1.1%	-0.11%	2.53%	8.87%	8.93%	8.26%
<i>Lehman Aggregate</i>				1.69%				1.21%	2.92%	8.62%	8.10%	7.57%
<i>Active Duration</i>												
<i>Criterion</i>	11,139,954	1.0%	1.1%	1.62%	12,762,250	1.2%	1.1%	0.03%	1.65%	6.00%	7.60%	7.09%
<i>Lehman Aggregate</i>				1.69%				1.21%	2.92%	8.62%	8.10%	7.57%

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	Month Ended 8/31/2002				Month Ended 7/31/2002				Current	Prior Year	3 Years	5 Years
	Allocation				Allocation				Fiscal YTD	FY02	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2002	6/30/2002
											Net	Net
Index												
Bank of ND	13,810,895	1.3%	0.7%	2.06%	14,875,230	1.4%	0.7%	1.62%	3.70%	9.56%	8.03%	7.55%
Bank of ND Match Loan CD Program	10,948,035	1.0%	1.0%	0.48%	10,983,571	1.0%	1.0%	0.48%	0.95%	5.79%	5.86%	5.90%
Total Index	24,758,929	2.3%	1.8%	1.65%	25,858,802	2.4%	1.8%	1.32%	2.99%	9.68%	7.81%	7.47%
Lehman Gov/Corp				2.24%				1.20%	3.47%	8.24%	7.85%	7.47%
Convertibles												
TCW	10,622,160	1.0%	1.1%	2.29%	10,880,173	1.0%	1.1%	-7.54%	-5.41%	-21.20%	-2.06%	N/A
First Boston Convertible Index				0.54%				-6.25%	-5.74%	-12.44%	0.11%	N/A
BBB Average Quality												
Strong	11,000,143	1.0%	1.1%	2.78%	12,109,002	1.1%	1.1%	-3.45%	-0.77%	3.16%	6.83%	N/A
Lehman BBB				3.56%				-2.23%	1.25%	5.85%	4.75%	N/A
Timberland												
Evergreen (Wachovia) (1)	8,101,031	0.7%	0.7%	-0.07%	8,514,747	0.8%	0.8%	-0.07%	-0.15%	N/A	N/A	N/A
										0.00%	0.00%	0.00%
TOTAL DOMESTIC FIXED INCOME	76,946,990	7.1%	7.0%	1.89%	82,948,709	7.7%	7.0%	-1.37%	0.50%	2.56%	6.70%	6.56%
Lehman Aggregate				1.69%				1.21%	2.92%	8.62%	8.10%	7.57%
HIGH YIELD BONDS												
Western Asset	82,525,738	7.6%	7.0%	2.51%	80,507,087	7.5%	7.0%	-3.79%	-1.38%	-6.08%	-3.89%	4.16%
Lehman High Yield Bond Index				2.85%				-4.37%	-1.64%	-3.60%	-2.31%	0.68%
INTERNATIONAL FIXED INCOME												
International Core												
UBS Global (Brinson)	64,060,695	5.9%	5.0%	1.49%	68,625,486	6.4%	5.0%	0.30%	1.79%	16.83%	2.39%	2.43%
Salomon Brothers Non-US Gov't Bond Index				1.63%				0.57%	2.21%	15.72%	3.14%	3.03%
REAL ESTATE												
JMB	1,025,255			0.71%	1,047,291			0.71%	1.43%	0.92%	1.25%	7.60%
INVESCO	61,031,341			-0.85%	60,862,067			-0.85%	-1.70%	2.61%	7.70%	N/A
J.P. Morgan	45,256,322			0.23%	45,022,775			0.23%	0.46%	4.10%	9.60%	11.72%
TOTAL REAL ESTATE (1)	107,312,919	9.9%	9.0%	-0.34%	106,932,134	9.9%	9.0%	-0.34%	-0.68%	3.35%	8.64%	9.66%
NCREIF TOTAL INDEX				0.56%				0.55%	1.12%	6.79%	9.41%	11.96%
ALTERNATIVE INVESTMENTS												
Brinson IVCF III	1,725,300			-0.31%	1,725,353			-0.31%	-0.61%	61.30%	112.32%	65.03%
Coral Partners V	11,113,347			-0.21%	11,154,804			-0.21%	-0.41%	-46.32%	-3.46%	N/A
Coral Partners V - Supplemental	776,081			-0.37%	778,976			-0.37%	-0.75%	N/A	N/A	N/A
Coral Partners VI	642,868			0.00%	645,266			0.00%	0.00%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	2,363,117			0.15%	2,371,933			0.15%	0.29%	-15.23%	8.66%	N/A
Brinson 1999 Partnership Fund	2,689,861			-2.09%	2,699,895			-2.09%	-4.14%	-21.70%	-0.85%	N/A
Brinson 2000 Partnership Fund	3,604,849			-1.96%	3,618,296			-1.96%	-3.88%	-14.95%	N/A	N/A
Brinson 2001 Partnership Fund	795,465			-1.31%	798,432			-1.31%	-2.60%	-6.22%	N/A	N/A
Brinson 2002 Partnership Fund	378,943			0.12%	155,921			0.12%	0.23%	N/A	N/A	N/A
Total Brinson Partnership Funds	9,832,234			-1.39%	9,644,477			-1.39%	-2.76%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,008,505			-0.76%	1,012,268			-0.76%	-1.51%	-7.68%	-3.51%	N/A
Brinson 2000 Non-US Partnership Fund	896,030			-0.39%	899,372			-0.39%	-0.79%	-6.51%	N/A	N/A
Brinson 2001 Non-US Partnership Fund	478,297			-1.41%	480,081			-1.41%	-2.81%	-4.85%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	190,123			0.00%	190,832			0.00%	0.00%	N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	2,572,955			-0.70%	2,582,553			-0.71%	-1.41%	N/A	N/A	N/A
Brinson BVCF IV	6,768,299			-3.19%	6,277,334			-3.19%	-6.28%	-29.16%	-17.06%	N/A
CSFB	8,357,287			0.00%	8,388,463			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	77,144			0.00%	77,432			0.00%	0.00%	N/A	N/A	N/A
Hearthstone	4,514,404			-2.22%	4,143,626			-2.22%	-4.39%	4.99%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (1)	46,379,921	4.3%	5.0%	-1.05%	45,418,284	4.2%	5.0%	-1.21%	-2.24%	-26.09%	10.16%	10.85%
Post Venture Capital Index				-1.69%				-12.55%	-14.03%	-44.30%	-26.03%	-6.83%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	6,238,202	0.6%	2.0%	0.03%	(971,353)	-0.1%	2.0%	0.02%	0.05%	2.29%	4.72%	5.01%
90 Day T-Bill				0.14%				0.15%	0.29%	2.63%	4.67%	4.84%
TOTAL FUND	1,080,453,983	100.00%	100.00%	0.44%	1,079,908,076	100.00%	100.00%	-6.48%	-6.08%	-8.88%	-1.94%	3.61%
POLICY TARGET BENCHMARK				0.59%				-6.99%	-6.44%	-9.26%	-3.00%	3.29%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Monthly returns estimated based on prior quarters' returns.